sion continuously for the statutory period, it would appear that on principle no more need be required.

ONE-MAN CORPORATION. — The case of *Broderip* v. *Salomon* (1895, 2 Ch. 323), has attracted considerable attention in England, and some adverse criticism. The facts were as follows. One Salomon, a leather dealer, appreciating the advantages of limited over unlimited liability, organized a corporation composed of himself and family, sold his business to it at an exorbitant price, and took in payment bonds secured by a floating charge on all the corporation assets, present as well as after acquired. Each of the six straw members took one share of stock; the remainder went to Salomon. In this way he virtually reserved his property, and the control and profits of the business, while shifting the liability for future debts to a pauper corporation. Perhaps this might be done if the public was fairly notified of the charge on the capital stock. But there is no registration of mortgages in England to give such a notice. As a consequence, the unsecured creditors would have found themselves out in the cold when it came to liquidation had not the court held Salomon liable to indemnify the company for the debts incurred. Several theories are suggested to support this liability, the one most prominently advanced being that the company was a trustee for the promoter vendor, and as trustee entitled to be reimbursed for liabilities incurred on his behalf. That would seem to be a question of fact, however, as it would be were Salomon held as principal. If the liability rests on fraud, it is difficult to see why Salomon alone was taken and his family left. The real grievance appears to be the lack of any registration of such mortgages, as Mr. Edward Manson, in 11 Law Quart. Rev., 186, 352, points out.

Supposing, however, there were such a registration, what is the policy of general corporation acts? Do they permit one man virtually to limit his liability, if due notification is given to creditors? (11 Law Quart. Rev. 185.) That appears to be a question of economic policy. Under ordinary circumstances justice demands that every debtor, whether a corporation or not, pay all the debts he incurs. Limited liability is an exception, a privilege justified only so far as it gives a proper stimulus to industrial enterprise. It is doubtful if individual enterprise needs such a stimulus.

NEW YORK CODE REVISION. — The troublesome experience of New York with the existing code of civil procedure should have been sufficient warning against ill considered methods of change; but the present course of revision in that State is more likely, one would think, to lead to further confusion, than to any reform of the inconsistencies and ambiguities that now characterize the code. After long agitation the State Bar Association secured the passage of an act which empowered the Governor to appoint a commission of three to examine codes of procedure and practice acts of other States and countries, and prepare a revised New York Code. So far, all well and good! The Governor at this stage appointed the three Commissioners of Statutory Revision to constitute the commission for revising the code. These commissioners — competent men in their department — are not shown to have any peculiar

fitness for this additional task. The advantages of codification are debatable; but once the policy is adopted, no one can question that the preparation of a code should be intrusted, as a prerequisite for its satisfactory accomplishment, to those who have a thorough familiarity with the principles and theory of the particular branch of the common law to be codified, and a specialist's knowledge of its details. Incidentally, but not so imperatively, an acquaintance with the defects and merits of existing codes is desirable. In the present case, to throw the burden of drafting a revised code of procedure on the shoulders of the commissioners — confessedly not specialists in the law of civil procedure, and already behindhand in their work of revising the statutes — is probably to repeat the history of 1877, when a similar commission of statutory revision was required to revise the procedure code. The result was that the revision of the statutes was never completed; while the procedure code is so defective and ill drawn that, rather than practise longer under it, the bar of the State now welcome the uncertainties of a new revision. It is only fair to add that the report, which the commissioners must submit December next, of the results of their examination of other codes and rules of procedure may reveal unexpected and unhoped for qualifications for the task assigned them.

THE RULE IN DEARLE *v.* HALL.— An assignee of a *cestui's* interest in a trust fund, will, if the trustee have no notice of the assigment, be postponed to a subsequent assignee who gives notice. This, it will be remembered, is, in a word, the doctrine known to English lawyers as the rule in *Dearle* v. *Hall* (3 Russ. 1). The confusion which it has worked and is continuing to work in the English law of trusts is well pointed out by Mr. E. C. C. Firth in an article in the October number of the Law Quarterly Review. That the rule is devoid of principle in all cases where the second assignee makes no inquiries of the trustee, and so is not mislead by the first assignee's neglect, has often been said and seems clear enough. Whether it is consonant to principle where the second assignee does make inquiries, and takes his assignment in reliance on the trustee's ignorance of the prior assignment, is a question on which there is likely to be a difference of opinion. Mr. Firth denies the right of the second assignee even in this case, on the ground that the first owes him no duty and so is not guilty of negligence in omitting to give notice. Accordingly there can be no estoppel by negligence. It would seem, however, that a duty to give notice might very well be contended for, where a probable consequence of taking the assignment without notice is that some one will be defrauded.

The question is, of course, no longer an open one in England, where, by a series of decisions, the rule has been "improved" until now it has nothing to do with the merits of the successive assignees. *Foster* v. *Cockerell* (3 Cl. & F. 456) decided that it was immaterial that the second assignee made no inquiries of the trustee; *Low* v. *Bouverie* (1891, 3 Ch. 82) that the trustees were not bound to answer inquiries if they were made; *Lloyd* v. *Banks* (3 Ch. 488) that the first assignee should be preferred although he neglected to give notice, if the trustees happened by accident to hear of the assignment. Thus, in all cases where the second assignee gives notice, it has come to be essential for the trustee